

RETIREMENT SAVINGS PLAN FOR SMALL BUSINESS EMPLOYEES & THE SELF-EMPLOYED

To include 401(k) Plan and other saving plans for retirement

How much could you save in 35 years?



Single mom working in the manufacturing sector

CURRENT SALARY:
\$46,250

Total Contribution:
\$288,026

Regular Plan Savings:
\$1,236,892

State Plan Savings:
\$1,596,604

The Difference:
\$359,712
(Equivalent to 8 years salary)

A self-employed* couple working from home

CURRENT SALARY:
\$65,750

Total Contribution:
\$409,464

Regular Plan Savings:
\$1,753,893

State Plan Savings:
\$2,263,012

The Difference:
\$509,119
(Equivalent to 8 years salary)
*no employer contribution

A couple working in retail and food service

CURRENT SALARY:
\$56,950

Total Contribution:
\$354,661

Regular Plan Savings:
\$1,520,579

State Plan Savings:
\$1,962,273

The Difference:
\$441,694
(Equivalent to 8 years salary)

A retail worker and Realtor

CURRENT SALARY:
\$98,680

Total Contribution:
\$571,163

Regular Plan Savings:
\$2,573,840

State Plan Savings:
\$3,330,780

The Difference:
\$756,940
(Equivalent to 8 years salary)

A biotech researcher and her Realtor husband

CURRENT SALARY:
\$125,000

Total Contribution:
\$612,654

Regular Plan Savings:
\$3,013,120

State Plan Savings:
\$3,926,041

The Difference:
\$912,921
(Equivalent to 7 years salary)

An accountant and office manager

CURRENT SALARY:
\$150,000

Total Contribution:
\$622,450

Regular Plan Savings:
\$3,267,447

State Plan Savings:
\$4,274,814

The Difference:
\$1,007,367
(Equivalent to 7 years salary)

All figures based on estimations made with the Bloomberg 401(k) Savings Calculator.

Assumptions: subjects are approximately 30 years of age; contribution = 10% of income; initial balance of \$1,000; 3% annual salary increase; 50% employer match; up to 6% of salary; 7% annual rate of return in regular plan; assumes 1.25% fee savings in state plan; retirement at age 65.